

# ARIZONA STATE BOARD OF ACCOUNTANCY

## OPEN SESSION MINUTES

**October 15, 2007**

Members of the Arizona State Board of Accountancy held a meeting at 8:17 a.m. on Monday, October 15, 2007 at the Accountancy Board Office in Suite 165, 100 N. 15<sup>th</sup> Avenue, Phoenix, Arizona. An Executive Session was held from 8:52 a.m. to 9:33 a.m.

### **BOARD MEMBERS:**

Marianne E. DeVries, CPA .....	President
Patrick J. Ramirez .....	Treasurer
☉ James E. May .....	Secretary
*☉ Debbi Fitzgerald, CPA .....	Member
Gary W. Fleming, CPA .....	Member
Samuel L. Fogleman, CPA .....	Member
Earl R. Shivers, CPA .....	Member

\*☉ Left at 11:30 a.m.

☉ Left at 11:45 a.m.

### **OTHERS PRESENT:**

Valerie M. Elliott .....	Executive Director
Jim Dubé .....	Deputy Director
Seth T. Hargraves, Esq. ....	Assistant Attorney General
☉ Daniel L. Christl, Esq. ....	Assistant Attorney General
Ryan P. Edmonson .....	Programs & Projects Specialist II
Yolanda M. Barajas .....	Administrative Assistant III

☉ Arrived at 8:38 a.m.

### **GUESTS PARTICIPATING:**

Christine Cassetta, Esq. ....	Assistant Attorney General, Solicitor General's Office
Donald R. Bays, CPA .....	Chairperson, Mobility Task Force Member
Cindie Hubiak, CPA, .....	Mobility Task Force Member
Stephan H. Brewer, CPA .....	Registrant
Greg Harris, Esq .....	Lewis & Roca
Thomas V. Murgolo .....	Applicant

The meeting was called to order at 8:17 a.m. by Marianne E. DeVries, President. The following order of business was then considered:

## **OPEN SESSION**

### **CALL TO THE PUBLIC**

Thomas V. Murgolo, applicant for certification, introduced himself to the Board.

### **MINUTES**

#### **September 10, 2007 Board Meeting**

A motion was made by Debbi Fitzgerald, seconded by Patrick J. Ramirez and passed to approve the Open Session Minutes from the September 10, 2007 Board meeting.

*Earl R. Shivers abstained from the vote.*

A motion was made by Debbi Fitzgerald, seconded by Patrick J. Ramirez and passed to approve the Executive Session Minutes from the September 10, 2007 Board meeting.

*Earl R. Shivers abstained from the vote.*

### **DECLARATION OF CONFLICTS OF INTEREST**

Marianne E. DeVries, CPA declared conflicts on Mary M. Huerstel, CPA, PLLC and Jodi M. Kimmerle of the consent agenda.

Debbi Fitzgerald, CPA declared a conflict on Kelly Renee Weidner of the consent agenda.

Gary W. Fleming, CPA declared conflicts on Yana Vlademirovna Swindell of the consent agenda.

### **CONSENT AGENDA**

(The Board may pull any of the following items off the consent agenda to take individual action.) Board discussion and legal action on the following items:

Due to conflicts, Ms. DeVries requested Mary M. Huerstel, CPA, PLLC and Jodi M. Kimmerle to be pulled from the consent agenda and voted on separately.

Due to a conflict, Ms. Fitzgerald requested Kelly Renee Weidner of the consent agenda and voted on separately.

Due to a conflict, Mr. Fleming requested Yana Vlademirovna Swindell be pulled from the consent agenda and voted on separately.

A motion was made by Samuel L. Fogleman, and seconded by Debbi Fitzgerald and passed to accept the following consent agenda:

**OPEN SESSION**

October 15, 2007

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- a. Recommended for Registration of Professional Corporation for the following Applicants - (Meets the requirements of A.R.S. § 32-734):
- |                                      |                                  |
|--------------------------------------|----------------------------------|
| Sunny J. Yocum PC                    | Leo Richard Ltd                  |
| Partner: Sunny J. Yocum 11625-R      | Partner: Leo Richard 10655-E     |
| William D. Mitchell CPA PC           | Joanne M. Elsen CPA PC           |
| Partner: William D. Mitchell 14694-R | Partner: Joanne M. Elsen 14627-R |
| Positive Change PC                   |                                  |
| Partner: Stacy Kuxhausen 14688-R     |                                  |
- b. Recommended for Registration of LLC/PLLC/LLP's for the following Applicants (Meet the requirements of A.R.S. § 32-735):
- |                                   |                                  |
|-----------------------------------|----------------------------------|
| Aldo Aprile CPA PLLC              | Jean M. Gadea CPA PLLC           |
| Partner: Aldo Aprile 13296-E      | Partner: Jean M. Gadea 6905-E    |
| JMH Accounting LLC                | R. Gregory Blake PLC             |
| Partner: Jill M. Howard 10995-E   | Partner: R. Gregory Blake 1750-E |
| R. DeVries PLC                    | Kolton Consulting LLC            |
| Partner: Roger B. DeVries 13813-R | Partner: Else E. Kolton 13188-E  |
| Go Accounting & IT PLLC           | Youdelman & Little CPA's PLLC    |
| Partner: David A. Paulsen 13831-E | Partners: Scott Little 6354-E    |
|                                   | Larry R. Youdelman 7255-E        |
| The Cascabel CPA                  |                                  |
| Partner: David G. Blocker 12889-E |                                  |
- c. Recommended for Registration of Sole Practitioner for the following Applicants (Meet the requirements of A.R.S. § 32-731):
- |                               |                                   |
|-------------------------------|-----------------------------------|
| Satya Artha Financial Advisor | M. Summers Consulting             |
| Owner: Mimi Stansbury 14704-R | Owner: Morrisa W. Summers 14705-R |
- d. Recommended for Firm Name Change:
- |                                      |                               |
|--------------------------------------|-------------------------------|
| CHS Tax & Business Services PLLC     | Howe & Kolodziej CPA's PLLC   |
| CHS Tax Services PLLC 2617-L         | James C. Howe CPA PC 2215-C   |
| Owner: Caryn Horvitz Strauss 10208-E | Partner: James C. Howe 6700-E |
|                                      | Renee Kolodziej 14600-E       |
- e. Request for Firm Cancellation – Do not wish to renew:
- |                                     |                                   |
|-------------------------------------|-----------------------------------|
| Charvoz May & Company PC 2380-C     | Ronald D. Eischer CPA PLLC 2824-L |
| Schreiber Consulting CPA LLC 2710-L | Charles B Foley CPA PLLC 2391-L   |

- f. Recommended for Cancellation of Certificate per registrant's request not to renew:  
Donald E. Fischer 3269-E  
Juanita Catherine Shannon 7343-R  
Valerie B. Bermant 10624-E  
Lisa M. Yost 12633-R  
Brandy Raye McQueen Liles 11258-E  
James M. Pressey 6949-E  
John M. Holmes 6975-E  
Ashli N. Spencer 10304-E
- g. Recommended for Reissuance of Certificate because of Name Change:  
Linda Lee Sprenger (Pratt) 9510-E  
Debra R. Blaisdell (Merrill) 6392-E  
Jill Marie Howard (Samson) 10995-E  
Tricia E. Stough (Dittmar) 13647-E  
Jami V. Bradley (L. Van Ess) 8195-E  
Laura Schott (Schott Birkholz) 8124-E  
Jolene Laperriere (Langer) 14657-E
- h. Recommended for Reactivation of Certificate from Inactive Status - A.R.S. §32-730(E):  
Suzanne Rioux 11695-E
- i. Recommendation of the Certification Committee for approval of Certification by Examination - A.R.S. §32-721:
- |                      |                     |
|----------------------|---------------------|
| Chad A. Ainsworth    | Jennifer J. Askew   |
| Anne Ball            | Scott J. Bostwick   |
| Tim Giever           | Christopher Gracey  |
| Amie L. Higginbotham | Jacquie Ivey        |
| Johnny S. Kim        | Jennifer C. Lano    |
| James Alan LeMaster  | Rachel R. Locke     |
| Angela M. MacDonald  | Lynn F. McDonough   |
| Jennifer A. Norton   | Lynn Marie Pierotti |
| Olga Ptashnyuk       | Paramjit S. Rana    |
| Christa Lynn Scott   | Tracy L. Shapcott   |
| John M. Sturdivant   |                     |

- j. Recommendation of the Certification Committee for approval of Certification by Reciprocity based on Substantial Equivalency - A.R.S. § 32-726(B):

Christie J. Bakker – California

Alan J. Bambeck – Ohio

Michael A. Belk – Washington

Craig Allen Ellis – Connecticut

Mark Grippi - New Jersey

Kimberly Sue Hamm – Missouri

Jeffrey S. Hamernik – Nebraska

Stuart S. Hart – Virginia

Vic Hurlbert – Texas

McKay P. Marriott – Massachusetts

Rich March – Washington

David J. Plajstek – Michigan

Stacy L. Naessens – Indiana

Kevin D. Rose - Tennessee

David M. Raskin – Oregon

- k. Recommendation of the Certification Committee for approval of Certification by Reciprocity  
- A.R.S. §32-726 (D):

William D. McBrearty – California

Heather M. Morton – Colorado

Kent J. Pace – California

Marco Tartaglia – Colorado

- l. Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:

Jonathan Thomas Bengel

Mary E. Burnett

Jason Andrew Call

Tamara Kimberly Chiago

John Craig Consaul

Tabitha Loria Fox

Sarah Nicole Garden

Joseph Burns Gentzkow

Aaron James Grant

Roberta Lynn Greenberg

Estelle Tampalino Gregory

Amy Kathleen Griffus

Mark Travis Hagedorn

Sarah Jane Helms

Robert Christopher Hunter

Ashlee Brook Hyde

Arwa Jamil

Cheol Jung

Gregory S. Knese

Sarah Marie Lauzon

Peter J. Martinez

Christopher B. Mecham

Todd Michael Miller

Caryl Marco Cesario Monte

Brady Russell Munn

Andrew John Newcombe

Tyler James Pace	Jeremy Joseph Pierce
Stephen Charles Pope	Diane M. Robinson
Mikhail Stepanov	Carlos Enrique Valdivia
Ying Tang	Nicholas Wesley Yee
Alice Lynn Vivaldo	

- m. Recommendation of the Peer Review Oversight Advisory Committee for approval of the following firms in compliance with A.A.C. R4-1-454:

Adams, Michael D., CPA, P.C.	Anderson, Church & Co.
Anselmo, Joseph F., CPA, P.A.	Busby Sanford Brady, CPAS, P.L.L.C.
Civalier, Mike, P.C.	Estes/Avellone, CPA's LTD.
Getskow, Jeffrey S., P.C.	Hardy, Earl M., CPA
Heinfeld, Meech & Co., P.C.	Lavoie & Co., P.C.
Linsalata & Co., P.C.	Martin, Joseph A., CPA, P.C.
McGrath, Charles W., Jr., CPA, P.C.	Miller, Alexandra L., CPA, P.C.
Miller, Jonathan, CPA, P.C.	Nahrwold, Allen L., CPA, P.C.
Patel, Neil P., CPA, P.C.	Pizzi, M. C., CPA, A.P.C.
Ranstrom, Neal, CPA, P.C.	Smyres, Leon E., CPA
Woods & Dwyer, P.L.C.	

### **CONSENT AGENDA**

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to approve the following consent agenda item:

- 15-b. Recommended for Registration of LLC/PLLC/LLP's for the following Applicants (Meet the requirements of A.R.S. § 32-735):

Mary M. Huerstel, CPA, PLLC

*Marianne E. DeVries declared a conflict and did not vote.*

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to approve the following consent agenda item:

- 15-j. Recommendation of the Certification Committee for approval of Certification by Reciprocity based on Substantial Equivalency - A.R.S. § 32-726(B):

Jodi M. Kimmerle - Montana

*Marianne E. DeVries declared a conflict and did not vote.*

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to approve the following consent agenda items:

- 15-l Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:

Yana Vlademirovna Swindell

*Gary W. Fleming declared a conflict and did not vote.*

- 15-l Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:

Kelly Renee Weidner

*Debbi Fitzgerald declared a conflict and did not vote.*

## **ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION**

### **Application for Certification by Examination, Deferral/Denial by Certification Committee - A.R.S. § 32-721**

Thomas V. Murgolo

Thomas V. Murgolo was present to discuss his application with the Board.

Samuel L. Fogleman reviewed the file. After a dialogue between the Board and the applicant, a motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to approve his application for certification by examination.

## **EXECUTIVE DIRECTOR'S REPORT**

Valerie M. Elliott, Executive Director, gave an update to the Board on the budget, performance measurements, and agency operations.

## **EXECUTIVE SESSION**

A motion was made by Samuel L. Fogleman, seconded by Debbi Fitzgerald and passed to go into Executive Session at 8:52 a.m. to seek legal advice and review confidential material pursuant to A.R.S. § 38-431.03(A)(2)(3) and (4).

After consideration in Executive Session, the Board reconvened in Open Session at 9:33 a.m.

**ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION**

**Recommended Decision of Administrative Law Judge**

File No. 2007.080; Mars, Kurt

The Board members each publicly acknowledged that they read the Administrative Law Judge's Decision and transcript of the hearing.

Christine Cassetta, Assistant Attorney General, from the Solicitor General's Office was present to provide legal advice to the Board. Seth T. Hargraves, Assistant Attorney General was present and requested that the Board accept the Administrative Law Judge's Findings of Fact, Conclusions of Law and recommended Decision. Mr. Mars was not present at the Board meeting.

A motion was made by Earl R. Shivers, seconded by Patrick J. Ramirez and passed to accept the Administrative Law Judge's Findings of Fact.

A motion was made by Earl R. Shivers, seconded by Patrick J. Ramirez and passed to accept the Administrative Law Judge's Conclusions of Law.

A motion was made by Earl R. Shivers, seconded by James E. May and passed to accept the Administrative Law Judge's Recommended Decision.

**COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES**

File No. 2007.090

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.010

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

File No. 2008.011

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to accept the Accounting and Auditing Standards Committee's recommendation to close the complaint file, no violations of professional standards.

**COMMITTEE RECOMMENDATIONS – INVESTIGATION FILES**

File No. 2007.114

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to offer a Decision & Order (By Consent) to include two years of probation, CPE in the area of form 5500's, pre-issuance peer review, including workpapers and reimbursement of the Board's costs, as amended in executive session.

## **INVESTIGATION AND COMPLAINT FILES**

File Nos. 2007.082, 2007.101, 2008.023, 2006.060 & 2007.044

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to file a Complaint and Notice of Hearing for revocation.

## **RESPONSE TO OFFERED DECISION & ORDER (By CONSENT)**

File No. 2008.003

A motion was made by James E. May, seconded by Earl R. Shivers and passed to remand the file back to the Peer Review Oversight Advisory Committee to review and respond back to the Board.

File No. 2008.018

A motion was made by James E. May, seconded by Earl R. Shivers and passed to file a Complaint and Notice of Hearing for failure to comply with CPE requirements.

## **NOTICES OF UNLAWFUL USE OF THE CPA DESIGNATION**

File No. 2007.122

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to accept the response and close the file.

File No. 2008.013

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to accept the response and close the file.

File No. 2008.019

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to accept the response and close the file.

## **ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION**

### **Recommendations from the Mobility Task Force**

Donald R. Bays, Chairman of the Mobility Task Force and Cindie Hubiak, member of the Mobility Task Force were present. Mr. Bays and Ms. Hubiak gave an update on the work the task force, including the draft substantive policy, to the Board.

### **Board to Review Compliance or Non-Compliance with Decision & Orders (By Consent)**

File Nos. 2006.089 & 2007.074; Brewer, Stephan

Stephan Brewer was present to discuss his compliance with the Board.

After a discussion, a motion was made by Samuel L. Fogleman, seconded by Patrick J. Ramirez and passed to take no further action.

File No. 2004.047; Abbott, William G.

A motion was made by Samuel L. Fogleman, seconded by James E. May and passed to take no further action.

File No. 2004.068; Marshall, James C.

A motion was made by Samuel L. Fogleman, seconded by James E. May and passed to file a Complaint and Notice of Hearing for revocation.

File Nos. 2005.064 & 2006.103; Eddows, Denise

A motion was made by Earl R. Shivers, seconded by Samuel L. Fogleman and passed to offer a Decision & Order (By Consent) to include a civil penalty of \$500.00 for noncompliance with her current Consent Order, which must be paid within 30 days of the date of the Order.

*Marianne E. DeVries declared a conflict and did not vote.*

File Nos. 2006.087 & 2006.088; DeGroote, Kevin

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to file a Complaint and Notice of Hearing for revocation.

File No. 2007.094; DeFilippis, Mara

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to take no action.

**Termination of Decision & Orders (By Consent)**

Joseph T. McKenzie 6358-E

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to terminate the Consent Order and close the file.

File No. 2002.058; Siwek, William E.

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to terminate the Consent Order and close the file.

**Request from Michael Edelen to address Board at future meeting**

Michael Edelen

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to direct staff to send a letter to Mr. Edelen stating that he can address the Board at any future Board meetings during the call to the public.

**Issues from and regarding the American Institute of Certified Public Accountants (AICPA)**

Practice Analysis status report

Valerie M. Elliott, Executive Director reviewed and discussed the Practice Analysis status report with the Board.

**Application for Certification by Examination, Deferral/Denial by Certification Committee - A.R.S. § 32-721**

Paul William Farrugia

Earl R. Shivers, reviewed the file. A motion was made by Earl R. Shivers, seconded

by Samuel L. Fogleman and passed to approve his application for certification by examination.

**Request for a CPE Waiver and/or Fee Waiver – A.R.S. § 32-730(C) & (D)**

Marcor Ballantyne Platt 6282-E

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to grant his request for CPE and Fee Waivers.

**Application for Reinstatement – A.R.S. § 32-748:**

Gale Wiltbank 6116-E

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to approve her application for reinstatement.

**Handling of Duplicate Courses when Considering Qualifications for Certification**

A motion was made by Samuel L. Fogleman, seconded by Earl R. Shivers and passed to direct Valerie M. Elliott, Executive Director to draft a substantive policy.

**SUMMARY OF CURRENT EVENTS**

None.

**DISCUSSION OF ITEMS TO BE PLACED ON FUTURE MEETING AGENDA**

The Board discussed adding the substantial equivalency states list, review Board form letters, the NASBA response letter and a discussion regarding the 15,000<sup>th</sup> Arizona Certified Public Accountant on the next Board's meeting agenda.

**ADJOURNMENT**

A motion was made by Samuel L. Fogleman, seconded by Patrick J. Ramirez and passed to adjourn at 11:50 p.m.

**OPEN SESSION**

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Marianne E. DeVries, CPA, President

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Patrick J. Ramirez, Member, Treasurer

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James E. May, Member, Secretary

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Debbi Fitzgerald, CPA Member

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Gary W. Fleming, CPA Member

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Samuel L. Fogleman, CPA, Member

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Earl R. Shivers, CPA, Member